

Article - Insurance

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§17–207.

(a) (1) Subject to the requirements of this section, the lives of a group of individuals may be insured under a policy issued to a credit union organized in accordance with State law or the Federal Credit Union Act to cover members of the credit union for the benefit of persons other than the credit union or its officials.

(2) The credit union to which the policy is issued is deemed the policyholder.

(b) All members of the credit union, or all of any class or classes of members determined by conditions pertaining to their age or membership in the credit union or both, are eligible for insurance under a policy issued in accordance with this section.

(c) (1) The premiums for the policy shall be paid from funds contributed by the credit union or insured members, or by both.

(2) Except as provided in paragraph (3) of this subsection, a policy on which no part of the premium is to be derived from funds contributed by the insured member for the insurer must insure all eligible persons, except those who reject the coverage in writing.

(3) An insurer may exclude or limit the coverage on any persons as to whom evidence of individual insurability is not satisfactory to the insurer.

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